

## **2005 DRAFTING REQUEST**

### **Assembly Substitute Amendment (ASA-AB1087)**

Received: **03/28/2006**

Received By: **dkennedy**

Wanted: **As time permits**

Identical to LRB:

For: **Legislative Fiscal Bureau 6-3847**

By/Representing: **Yvonne Onsager**

This file may be shown to any legislator: **NO**

Drafter: **mshovers**

May Contact:

Addl. Drafters: **dkennedy**

Subject: **Health - public health  
Tax, Individual - income**

Extra Copies: **PG**

Submit via email: **YES**

Requester's email: **yvonne.onsager@legis.state.wi.us**

Carbon copy (CC:) to: **robin.ryan@legis.state.wi.us**

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#### **Pre Topic:**

No specific pre topic given

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#### **Topic:**

Make prostate cancer research program identical to breast cancer research program

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#### **Instructions:**

See Attached

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#### **Drafting History:**

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?	dkennedy 03/28/2006	kfollett 03/28/2006		_____			
/1			jfrantze 03/29/2006	_____	lnorthro 03/29/2006	lnorthro 03/29/2006	
/2	mshovers 03/29/2006	kfollett 03/29/2006	rschluet 03/29/2006	_____	sbasford 03/29/2006	sbasford 03/29/2006	

FE Sent For:

**<END>**

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/?	dkennedy 03/28/2006	kfollett 03/28/2006					
/1		12/15/06 3/29/06	jfrantze 03/29/2006		lnorthro 03/29/2006	lnorthro 03/29/2006	

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/?	dkennedy	11 kjf 3/28	7 3/28	7/R 3/29			

FE Sent For:

<END>

## Kennedy, Debora

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**From:** Onsager, Yvonne  
**Sent:** Tuesday, March 28, 2006 8:23 AM  
**To:** Kennedy, Debora; Shovers, Marc  
**Cc:** Russell, Faith  
**Subject:** Amendment requests for AB 1087/SB658

SB 658

Debora and Marc,

We would like 3 amendments drafted to AB1087. These are laid out in our paper to JFC under "possible modifications to the bill" and are summarized below. Our paper can be found using the following link:  
[http://www.legis.state.wi.us/lfb/2005-07Bills/033006\\_AB1087\\_SB658.pdf](http://www.legis.state.wi.us/lfb/2005-07Bills/033006_AB1087_SB658.pdf)

1. Provide DHFS with authority to allocate the revenues from the tax check-off to the WPCRF to support the prostate research grants.
2. Amend the bill to allow the Board to allocate the grants and delete the provision that specify that WPCRF award the grants.
3. Amend the bill such that 50% of the net revenues from the tax check-off would be directly allocated to Medical College of WI and 50% would be allocated to UW Comprehensive Cancer Center. We would like the amendment to create a program identical to the breast cancer research program under current law.

The JFC meeting is Thursday morning, so we will need the amendments before then. Please let us know if you have any questions and thank you for your help.

Yvonne

Yvonne M. Onsager  
Legislative Fiscal Bureau  
Phone: 608-266-3847  
Fax: 608-267-6873  
yvonne.onsager@legis.state.wi.us



## Legislative Fiscal Bureau

One East Main, Suite 301 • Madison, WI 53703 • (608) 266-3847 • Fax: (608) 267-6873

March 30, 2006

TO: Members  
Joint Committee on Finance

FROM: Bob Lang, Director

SUBJECT: Assembly Bill 1087 and Senate Bill 658: Prostate Cancer Research -- Income Tax Check-Off and Grant Program

Assembly Bill 1087 and Senate Bill 658 are companion bills that would create an individual income tax check-off for donations for prostate cancer research. Assembly Bill 1087 was introduced on March 2, 2006, and referred to the Joint Committee on Finance. Senate Bill 658 was introduced on March 6, 2006, and referred to the Senate Committee on Health, Children, Families, Aging and Long Term Care. On March 7, Senate Bill 658 was withdrawn from the standing committee and referred to the Joint Committee on Finance.

### BACKGROUND AND CURRENT LAW

*Prostate Cancer in Wisconsin.* The Department of Health and Family Services (DHFS) report, Wisconsin Cancer Incidence and Mortality, 1998-2002, indicates that, during the five-year reporting period, an average of 4,036 men were diagnosed annually with prostate cancer in Wisconsin. While there were few reported cases of prostate cancer in men under the age of 40, the incidence of prostate cancer increased dramatically with age, and peaked for men between the ages of 70 through 74.

Prostate cancer was the most common type of cancer in men in Wisconsin, and, after lung cancer, was the second leading cause of cancer deaths among men in Wisconsin. During this period, an average of 676 men died from prostate cancer each year. Similar to incidence, mortality rates increased significantly for men over the age of 65, and most dramatically for men 75 years of age and older.

*Income Tax Check-Offs.* Current law provides individual income tax check-off procedures for making donations for use for endangered resources, the operation and maintenance of Lambeau Field in Green Bay, breast cancer research, the Veteran's Trust Fund, and, effective with tax year 2006, programs for people with multiple sclerosis. The income tax check-offs are for the purpose of making donations that either reduce a taxpayer's refund or increase the amount owed. In addition, Wisconsin taxpayers may designate on the individual income tax form that \$1 is to go to the State Election Campaign Fund (for a married couple filing a joint return, each spouse may designate \$1 to the fund). However, in the case of the election campaign fund, a designation does not affect the amount of tax liability or tax refund.

The Veteran's Trust Fund check-off, which was adopted as part of the 2005-07 biennial budget, appeared for the first time on tax year 2005 tax returns, for which complete information is not yet available. The check-off for programs for people with multiple sclerosis, which was enacted as 2005 Wisconsin Act 71 on December 21, 2005, will first apply with respect to individual income tax forms for tax year 2006.

On individual income tax forms for tax year 2004, 33,000 taxpayers designated a total of \$522,000 for endangered resources and 10,200 taxpayers designated \$84,700 for Lambeau Field. In addition, for the breast cancer research check-off (which first appeared on tax year 2004 individual income tax forms), 27,100 individual taxpayers designated a total of \$330,500.

The revenues from the breast cancer research tax check-off are allocated evenly between the Medical College of Wisconsin and the University of Wisconsin Comprehensive Cancer Center. These are the two institutions in Wisconsin that currently conduct breast cancer research. The Medical College of Wisconsin and the Board of Regents for the University of Wisconsin are required to report annually to the appropriate legislative standing committees and to the Governor on the breast cancer research projects that were conducted in the previous fiscal year and were supported with money from the tax check-off for breast cancer research.

## **SUMMARY OF BILL**

The bill would create the Prostate Cancer Research Board that would select grant recipients for prostate cancer research projects. The program would be funded from a new income tax check-off, which would enable individual income tax filers to voluntarily contribute to this new program.

### **Prostate Cancer Research Board**

The Prostate Cancer Research Board would be attached to DHFS. The Board would include four members, one appointed by each of the majority and minority leaders in both the Senate and Assembly.

The bill would require the Board, annually, to solicit applications from prostate cancer researchers located in the state. Using criteria developed by the Board after consulting with the Wisconsin Prostate Cancer Research Fund (WPCRF), the Board would then be required to select from the applicants the recipients of grants for the performance of prostate cancer research. The bill would require the Board to promptly inform the WPCRF of its grant recipient selections. The bill would also require the WPCRF to award the prostate cancer research grants to the recipients selected by the Board, using the available revenue from the individual income tax check-off for prostate cancer research.

The bill would require the Board to prepare an annual report, beginning no later than the first day of the 12<sup>th</sup> month after the bill's effective date, detailing the prostate cancer research projects on which the money was spent and distribute the report to the appropriate legislative standing committees and the Governor.

### **Individual Income Tax Check-Off**

The bill would permit every individual filing an income tax return who has a tax liability or is entitled to a tax refund to designate on the return any amount of additional payment or any amount of a refund due that individual for the prostate cancer research program. The administration of the tax check-off for prostate cancer research would operate in the same manner as the administration of other tax check-offs.

If an individual owed any tax, the individual would remit in full the tax due and the amount designated on the return for prostate cancer research when the individual filed a tax return. If an individual were owed a refund, after crediting for any attachments or overpayments, the Department of Revenue (DOR) would deduct the amount designated on the return for the prostate cancer research program from the amount of the refund.

The bill would address the failure to remit the correct amount of taxes owed. If, after error corrections, an individual who owed taxes failed to remit an amount equal to or in excess of the total of the actual tax due and the amount designated on the return for prostate cancer research, then DOR would reduce the designation to reflect the amount remitted in excess of the actual tax due (as long as the individual remitted an amount in excess of the actual tax due but less than the total amount due plus the amount originally designated). However, the designation for prostate cancer research would be void if the individual remitted an amount equal to or less than the actual tax due, after error corrections.

In addition, if an individual were owed a refund that did not equal or exceed the amount designated on the return for prostate cancer research, after crediting for any attachments or overpayments and after error corrections, DOR would reduce the designation to reflect the actual amount of the refund that the individual would otherwise be owed, after crediting for any attachments or overpayments and after error corrections.



The bill would specify that if an individual places any conditions on a designation for prostate cancer research, the designation would be void. In addition, if a designation for prostate cancer research is void, DOR would disregard the designation and determine amounts due, owed, refunded, and received without regard to the void designation.

The bill would direct the Secretary of DOR to provide a place for the designation on the individual income tax return. The bill would also require the Secretary to certify annually, on or before September 15, to the president of the WPCRF, the Department of Administration, and the State Treasurer: (a) the total amount of the administrative costs, including data processing costs, incurred by DOR in administering the individual income tax check-off for the prostate cancer research program during the previous fiscal year; (b) the total amount received from all designations for prostate cancer research made by taxpayers during the previous fiscal year; and (c) the net amount remaining after the administrative costs, including data processing costs, under (a) are subtracted from the total received under (b).

The bill would modify a current DOR program revenue appropriation for the administration of other income tax check-off programs to include the administration of prostate cancer research voluntary payments.

Under the bill, amounts designated for prostate cancer research would not be subject to refund to the taxpayer unless the taxpayer submits information to the satisfaction of DOR, within 18 months after the date on which the taxes are due or the date on which the return is filed, whichever is later, that the amount designated is clearly in error. Any such refund granted by DOR would be deducted from the moneys received from designations for prostate cancer research in the fiscal year for which the refund is certified.

The bill would create a continuing appropriation in DHFS to fund the prostate cancer research grants to recipients selected by the Board. This appropriation would consist of program revenue generated by the individual income tax check-off for prostate cancer research established in the bill, less administrative expenses that are credited to the DOR appropriation described above.

The bill would first apply to taxable years beginning January 1 of the year in which the bill takes effect, unless the bill takes effect after July 31, in which case the provisions would first apply to taxable years beginning January 1 of the following year. The bill would take effect on the day after publication.

## **FISCAL EFFECT**

As the proposed check-off for prostate cancer research would result in taxpayers who make such designations either receiving reduced tax refunds or making larger tax payments to the state, the bill would have no effect on state tax revenues.

Based on designations for the breast cancer research check-off on tax year 2004 individual income tax returns, DOR has estimated that approximately 27,000 tax filers would voluntarily designate a total of \$331,000 to fund prostate cancer research grants. However, the number of tax check-offs has been increasing in recent years (with two additional tax check-off options enacted since tax year 2004), while the designations per tax check-off have been decreasing. It is unclear whether the increased number of check-off options is having an effect on the amount designated per check-off. Therefore, it is uncertain how much revenue would be available for prostate cancer research through the proposed income tax check-off.

In its fiscal note to the bill, DHFS indicated a need for 1.0 program and planning analyst position, at an annual cost of \$63,400 GPR, to administer the program and to staff the Board's meetings. In addition, DHFS estimated that approximately \$5,000 GPR annually would be needed to support the Board's meeting expenses. Since the bill would provide no additional funding or position authority for DHFS, the Department would absorb these costs within its current budget. However, it is not clear how much staff time DHFS would need to reallocate to administer the program, since it would depend on the amount of work the Board requires of DHFS in reviewing grant applications, monitoring grantees, and supporting the Board's meetings.

## **POSSIBLE MODIFICATIONS TO THE BILL**

The bill requires the WPCRF to award prostate cancer research grants to the recipients selected by the Board. The revenue for the grants would be supported with moneys received from the prostate cancer research tax check-off and deposited in a continuing appropriation, as created in the bill, in DHFS. However, the bill does not grant DHFS the authority to allocate the revenues from the tax check-off to the WPCRF to support the grants. The Committee could amend the bill to authorize DHFS to provide this funding to the WPCRF to award the grants.

Alternatively, the Committee could amend the bill to permit the Board to allocate the grants and delete provisions that specify that WPCRF award the grants.

In reviewing the bill, the Committee may wish to consider whether it is desirable to create a grant program administered by a four-member Board whose members are appointed by legislative leaders, or whether revenue from the check-off should instead be directed to institutions that currently conduct prostate cancer research. Since the bill does not require that the Board members have certain qualifications, it is not clear whether the Board would be qualified to review, evaluate, and rank applications. In addition, if appointed members of the Board have expertise in the area of cancer research, they may have conflicts of interest if they are reviewing grant applications submitted by their colleagues.

The University of Wisconsin and the Medical College of Wisconsin have established cancer research programs, which include research on prostate cancer. Both of these medical schools receive federal funding for research purposes. Because the bill dedicates the funds received from

the prostate cancer research tax check-off specifically for research, the bill could be amended to distribute the net funds, after the deduction for expenses incurred by DOR, directly to one or both of the two medical schools through their cancer centers. This option would eliminate the Board created under the bill, while providing funding directly to the two institutions in Wisconsin that conduct research on prostate cancer. In addition, this would allocate the net revenue from the prostate cancer research tax check-off in a similar manner to the revenue from the breast cancer research check-off (50% to the Medical College of Wisconsin and 50% to the University of Wisconsin Comprehensive Cancer Center). This option would eliminate DHFS' responsibilities relating to the program.

Nationally, cancer research is funded from several sources, including: (a) grants from federal agencies; (b) grants from state, local, or nonprofit agencies; and (c) gifts, donations, and bequests. Wisconsin does not provide state funds specifically to support cancer research. However, state funds provide indirect support for the research activities, including cancer research, conducted at the University of Wisconsin.

Prepared by: Yvonne Onsager and Faith Russell

## 2005 ASSEMBLY BILL 1087

March 2, 2006 - Introduced by Representatives WARD, KREUSER, TRAVIS, MUSSEY, FIELDS, JESKEWITZ, RICHARDS, GUNDERSON, SHILLING, HAHN, BERCEAU, AINSWORTH, NELSON, VOS, SHERIDAN, OTT, SEIDEL, MCCORMICK, LEHMAN, WOOD, TURNER, MURSAU, COLON and GRIGSBY, cosponsored by Senators ROESSLER, LASSA and ROBSON. Referred to Joint Committee on Finance.

REGENERATE

- 1 AN ACT *to amend* 20.566 (1) (hp); and *to create* 15.195 (7), 20.435 (5) (jm), 71.10
- 2 (5h) and 255.07 of the statutes; **relating to:** creating an individual income tax
- 3 checkoff for <sup>the</sup> prostate cancer research, <sup>program</sup> ~~creating the Prostate Cancer Research~~
- 4 ~~Board,~~ creating the prostate cancer research program, and making
- 5 appropriations.

### Analysis by the Legislative Reference Bureau

Under current law, an individual income tax check-off procedure exists that allows an individual who files a return to designate any amount of additional payment or any amount of a refund due for the endangered resources program. Similar checkoffs exist to provide payments to a breast cancer research program and to provide a donation to a professional football stadium district. This bill creates a similar income tax checkoff for designations to fund prostate cancer research. <sup>programs</sup>

Under the bill, an individual who has an income tax liability, is due a refund, or is required to file a return may designate any amount of additional payment, or any amount of a refund due, to fund prostate cancer research on his or her income tax return. If an individual's designation exceeds the amount of his or her refund, he or she must include a check with his or her tax return for the difference between the amount of the designation and the amount of the refund. If an individual who makes a contribution has a tax liability or has no tax liability and is due no refund, he or she must include a check for the amount of the designation with his or her tax return.

Substitute  
amendment

Substitute  
amendment

**ASSEMBLY BILL 1087**

substitute amendment - 2 -

Public Instruction and to an appropriation account under the University of Wisconsin System

50 percent of

The bill requires that an amount equal to the total amount of designations received, less the total cost of administering the income tax check-off procedure, be credited to an appropriation account under the Department of Health and Family Services.

The bill creates a four-member Prostate Cancer Research Board (board) within the Department of Health and Family Services. The board annually must solicit applications from prostate cancer researchers in Wisconsin and select recipients for grants for the performance of prostate cancer research. Criteria for the selection of the grant recipients must be developed by the board after consulting with an entity, the Wisconsin Prostate Cancer Research Fund (WPCRF). Moneys from the designation to fund prostate cancer research are required to be awarded by WPCRF as grants to these recipients. Annually, WPCRF must report to the legislature and the governor on what research projects were conducted with the funds.

For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

INSERT  
A

***The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:***

1 **SECTION 1.** 15.195 (7) of the statutes is created to read:

2 15.195 (7) PROSTATE CANCER RESEARCH BOARD. There is created a prostate cancer  
3 research board that is attached to the department of health and family services  
4 under s. 15.03. The board shall consist of the following members:

5 (a) One member appointed by the majority leader of the assembly.

6 (b) One member appointed by the minority leader of the assembly.

7 (c) One member appointed by the majority leader of the senate.

8 (d) One member appointed by the minority leader of the senate.

9 **SECTION 2.** ~~20.435 (5) (jm)~~ of the statutes is created to read:

20.250 (2) (h)

10 ~~20.435 (5) (jm)~~ Prostate cancer research. As a continuing appropriation, from  
11 the moneys received under s. 71.10 (5h) (i), the net amounts certified under s. 71.10  
12 (5h) (h) 3., to provide prostate cancer research grants under s. ~~255.07 (3)~~.

50 percent of

255.054

13 **SECTION 3.** 20.566 (1) (hp) of the statutes, as affected by 2005 Wisconsin Acts  
14 25 and 71, is amended to read:

20.250 (2) (h)

as amounts designated

INSERT  
2-12

## ASSEMBLY BILL 1087

20.566 (1) (hp) *Administration of endangered resources; professional football district; breast cancer research; veterans trust fund; multiple sclerosis programs; prostate cancer research voluntary payments.* The amounts in the schedule for the payment of all administrative costs, including data processing costs, incurred in administering ss. 71.10 (5), (5e), (5f), and (5g), (5h), and (5m), and 71.30 (10). All moneys specified for deposit in this appropriation under ss. 71.10 (5) (h) 5., (5e) (h) 4., (5f) (i) and, (5g) (i), (5h) (i), and (5m) (i), and 71.30 (10) (i) and (11) (i) shall be credited to this appropriation.

SECTION 4. 71.10 (5h) of the statutes is created to read:

71.10 (5h) PROSTATE CANCER RESEARCH <sup>PROGRAM</sup> ~~CHECKOFF~~ (a) *Definitions.* In this subsection:

1. "Department" means the department of revenue.

2. "Fund" means an entity known as the Wisconsin Prostate Cancer Research <sup>Prostate cancer research program</sup> ~~Fund~~ <sup>the program under s. 255.054 that provides money for prostate cancer research and the payment of administrative expenses related to the administration of this subsection</sup>

(b) *Voluntary payments.* 1. 'Designation on return.' Every individual filing an income tax return who has a tax liability or is entitled to a tax refund may designate on the return any amount of additional payment or any amount of a refund due that individual for <sup>the</sup> prostate cancer research <sup>program</sup>

2. 'Designation added to tax owed.' If the individual owes any tax, the individual shall remit in full the tax due and the amount designated on the return for <sup>the</sup> prostate cancer research <sup>program when</sup> the individual files a tax return.

3. 'Designation deducted from refund.' Except as provided in par. (d), if the individual is owed a refund for that year after crediting under ss. 71.75 (9) and 71.80 (3) and (3m), the department shall deduct the amount designated on the return for <sup>the</sup> prostate cancer research <sup>program</sup> from the amount of the refund.

## ASSEMBLY BILL 1087

## SECTION 4

1 (c) *Errors; failure to remit correct amount.* If an individual who owes taxes fails  
2 to remit an amount equal to or in excess of the total of the actual tax due, after error  
3 corrections, and the amount designated on the return for <sup>the</sup>prostate cancer research:

4 1. The department shall reduce the designation for <sup>the</sup>prostate cancer research <sup>program</sup>  
5 to reflect the amount remitted in excess of the actual tax due, after error corrections,  
6 if the individual remitted an amount in excess of the actual tax due, after error  
7 corrections, but less than the total of the actual tax due, after error corrections, and  
8 the amount originally designated on the return for <sup>the</sup>prostate cancer research.

9 2. The designation for <sup>the</sup>prostate cancer research is void if the individual  
10 remitted an amount equal to or less than the actual tax due, after error corrections.

11 (d) *Errors; insufficient refund.* If an individual is owed a refund that does not  
12 equal or exceed the amount designated on the return for <sup>the</sup>prostate cancer research,  
13 after crediting under ss. 71.75 (9) and 71.80 (3) and (3m) and after error corrections,  
14 the department shall reduce the designation for <sup>the</sup>prostate cancer research to reflect  
15 the actual amount of the refund that the individual is otherwise owed, after crediting  
16 under ss. 71.75 (9) and 71.80 (3) and (3m) and after error corrections.

17 (e) *Conditions.* If an individual places any conditions on a designation for  
18 <sup>the</sup>prostate cancer research <sup>program</sup> the designation is void.

19 (f) *Void designation.* If a designation for <sup>the</sup>prostate cancer research is void, the  
20 department shall disregard the designation and determine amounts due, owed,  
21 refunded, and received without regard to the void designation.

22 (g) *Tax return.* The secretary of revenue shall provide a place for the  
23 designations under this subsection on the individual income tax return.

## ASSEMBLY BILL 1087

*Board of Regents of the University of Wisconsin System, the Medical College of Wisconsin, INC.*

(h) *Certification of amounts.* Annually, on or before September 15, the secretary of revenue shall certify to the ~~president of the fund~~ <sup>the</sup> department of administration, and the state treasurer all of the following:

1. The total amount of the administrative costs, including data processing costs, incurred by the department in administering this subsection during the previous fiscal year.

2. The total amount received from all designations for ~~prostate cancer research~~ <sup>the</sup> *program* made by taxpayers during the previous fiscal year.

3. The net amount remaining after the administrative costs, including data processing costs, under subd. 1. are subtracted from the total received under subd.

2.

(i) *Appropriations, disbursement of funds to the fund.* From the moneys received from designations for ~~prostate cancer research~~ <sup>the</sup> *program*, an amount equal to the sum of administrative expenses, including data processing costs, certified under par. (h) 1. shall be deposited in the general fund and credited to the appropriation account under s. 20.566 (1) (hp), and the net amount remaining that is certified under par.

(h) 3. shall be credited to the appropriation account <sup>s</sup> under s. ~~20.435 (5) (jm)~~ <sup>20.250 (2) (h) and 20.285 (1) (gn)</sup> for the use specified under s. ~~255.07 (3)~~ <sup>255.054 (1)</sup>.

(j) *Amounts subject to refund.* Amounts designated for prostate cancer research <sup>the</sup> *program* under this subsection are not subject to refund to the taxpayer unless the taxpayer submits information to the satisfaction of the department, within 18 months after the date on which the taxes are due or the date on which the return is filed, whichever is later, that the amount designated is clearly in error. Any refund granted by the department under this paragraph shall be deducted from the moneys received under this subsection in the fiscal year for which the refund is certified.



## ASSEMBLY BILL 1087

## SECTION 4

(k) *Report to legislature, governor.* Not later than the first day of the 12th month beginning after the effective date of this paragraph .... [revisor inserts date], and annually thereafter, the fund shall prepare a report detailing the prostate cancer research projects on which the money was spent. The report shall be distributed to the appropriate standing committees of the legislature in the manner provided under s. 13.172 (3) and to the governor.

**SECTION 5.** 255.07 of the statutes is created to read:

**255.07 Prostate cancer research program.** (1) **DEFINITIONS.** In this section:

(a) "Board" means the prostate cancer research board.

(b) "Fund" has the meaning given in s. 71.10 (5h) (a) 2.

(2) **BOARD; DUTIES.** Annually, the board shall solicit applications from prostate cancer researchers located in this state and, under criteria developed by the board after consulting with the fund, select from the applicants recipients for grants for the performance of prostate cancer research. The board shall promptly inform the fund of the grant recipient selections that the board has made.

(3) **FUND; AWARD OF GRANTS.** From the appropriation account under s. 20.435 (5) (jm), the fund shall award grants for the performance of prostate cancer research to recipients selected by the board under sub. (2).

**SECTION 6. Initial applicability.**

(1) This act first applies to taxable years beginning on January 1 of the year in which this subsection takes effect, except that if this subsection takes effect after July 31 this act first applies to taxable years beginning on January 1 of the year following the year in which this subsection takes effect.

(END)

INSERT 6-19

**2005-2006 DRAFTING INSERT**  
**FROM THE**  
**LEGISLATIVE REFERENCE BUREAU**

LRBs0663/?ins

.....

*substitute  
amendment*

**INSERT A**

# Under the bill, the Medical College of Wisconsin, Inc., and the University of Wisconsin Comprehensive Cancer Center must use the moneys appropriated for prostate cancer research projects. Annually, by January 1, the Medical College of Wisconsin, Inc., and the Board of Regents of the University of Wisconsin System must report to the legislature and to the governor on the prostate cancer research projects each has conducted using the moneys in the previous fiscal year.

**INSERT 2-12**

**SECTION 1.** 20.285 (1) (gn) of the statutes is created to read:

20.285 (1) (gn) *Prostate cancer research.* As a continuing appropriation, from moneys received as amounts designated under s. 71.10 (5h) (i), 50 percent of the net amounts certified under s. 71.10 (5h) (h) 3., for prostate cancer research conducted by the University of Wisconsin Comprehensive Cancer Center under s. 255.054.

**INSERT 6-19**

**SECTION 2.** 255.054 of the statutes is created to read:

**255.054 Prostate cancer research program.** (1) The Medical College of Wisconsin, Inc., and the University of Wisconsin Comprehensive Cancer Center shall use the moneys appropriated under ss. 20.250 (2) (h) and 20.285 (1) (gn) for prostate cancer research projects. These moneys may not be used to supplant funds available for prostate cancer research from other sources.

(2) Annually by January 1, the Medical College of Wisconsin, Inc., and the Board of Regents of the University of Wisconsin System shall each report to the appropriate standing committees of the legislature under s. 13.172 (3) and to the governor on the prostate cancer research projects each has conducted under sub. (1) in the previous fiscal year.



State of Wisconsin  
2005 - 2006 LEGISLATURE

LRBs0663/2  
MES&DAK:jld&kjf:j

FMR

ASSEMBLY SUBSTITUTE AMENDMENT ,  
TO 2005 ASSEMBLY BILL 1087

today

gen

- 1 AN ACT *to amend* 20.566 (1) (hp); and *to create* 20.250 (2) (h), 20.285 (1) (gn),  
2 71.10 (5h) and 255.054 of the statutes; **relating to:** creating an individual  
3 income tax checkoff for the prostate cancer research program, creating the  
4 prostate cancer research program, and making appropriations.

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***Analysis by the Legislative Reference Bureau***

Under current law, an individual income tax check-off procedure exists that allows an individual who files a return to designate any amount of additional payment or any amount of a refund due for the endangered resources program. Similar checkoffs exist to provide payments to a breast cancer research program and to provide a donation to a professional football stadium district. This substitute amendment creates a similar income tax checkoff for designations to fund prostate cancer research programs.

Under the substitute amendment, an individual who has an income tax liability, is due a refund, or is required to file a return may designate any amount of additional payment, or any amount of a refund due, to fund prostate cancer research on his or her income tax return. If an individual's designation exceeds the amount of his or her refund, he or she must include a check with his or her tax return for the difference between the amount of the designation and the amount of the refund. If an individual who makes a contribution has a tax liability or has no tax liability and

is due no refund, he or she must include a check for the amount of the designation with his or her tax return.

The substitute amendment requires that an amount equal to 50 percent of the total amount of designations received, less the total cost of administering the income tax check-off procedure, be credited to an appropriation account under the Department of Public Instruction and to an appropriation account under the University of Wisconsin System.

Under the substitute amendment, the Medical College of Wisconsin, Inc., and the University of Wisconsin Comprehensive Cancer Center must use the moneys appropriated for prostate cancer research projects. Annually, by January 1, the Medical College of Wisconsin, Inc., and the Board of Regents of the University of Wisconsin System must report to the legislature and to the governor on the prostate cancer research projects each has conducted using the moneys in the previous fiscal year.

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***The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:***

1           **SECTION 1.** 20.250 (2) (h) of the statutes is created to read:

2           20.250 (2) (h) *Prostate cancer research.* As a continuing appropriation, from  
3           moneys received as amounts designated under s. 71.10 (5h) (i), 50 percent of the net  
4           amounts certified under s. 71.10 (5h) (h) 3., to provide prostate cancer research  
5           grants under s. 255.054.

6           **SECTION 2.** 20.285 (1) (gn) of the statutes is created to read:

7           20.285 (1) (gn) *Prostate cancer research.* As a continuing appropriation, from  
8           moneys received as amounts designated under s. 71.10 (5h) (i), 50 percent of the net  
9           amounts certified under s. 71.10 (5h) (h) 3., for prostate cancer research conducted  
10          by the University of Wisconsin Comprehensive Cancer Center under s. 255.054.

11          **SECTION 3.** 20.566 (1) (hp) of the statutes, as affected by 2005 Wisconsin Acts  
12          25 and 71, is amended to read:

13          20.566 (1) (hp) *Administration of endangered resources; professional football*  
14          *district; breast cancer research; veterans trust fund; multiple sclerosis programs;*

1 prostate cancer research voluntary payments. The amounts in the schedule for the  
2 payment of all administrative costs, including data processing costs, incurred in  
3 administering ss. 71.10 (5), (5e), (5f), ~~and (5g), (5h), and (5m)~~, and 71.30 (10). All  
4 moneys specified for deposit in this appropriation under ss. 71.10 (5) (h) 5., (5e) (h)  
5 4., (5f) (i) ~~and~~, (5g) (i), (5h) (i), and (5m) (i), and 71.30 (10) (i) and (11) (i) shall be  
6 credited to this appropriation.

7 SECTION 4. 71.10 (5h) of the statutes is created to read:

8 71.10 (5h) PROSTATE CANCER RESEARCH PROGRAM. (a) *Definitions.* In this  
9 subsection:

10 1. "Department" means the department of revenue.

11 2. "Prostate cancer research program" means the program under s. 255.054  
12 that provides money for prostate cancer research and the payment <sup>of</sup> administrative  
13 expenses related to the administration of this subsection.

14 (b) *Voluntary payments.* 1. 'Designation on return.' Every individual filing an  
15 income tax return who has a tax liability or is entitled to a tax refund may designate  
16 on the return any amount of additional payment or any amount of a refund due that  
17 individual for the prostate cancer research program.

18 2. 'Designation added to tax owed.' If the individual owes any tax, the  
19 individual shall remit in full the tax due and the amount designated on the return  
20 for the prostate cancer research program when the individual files a tax return.

21 3. 'Designation deducted from refund.' Except as provided in par. (d), if the  
22 individual is owed a refund for that year after crediting under ss. 71.75 (9) and 71.80  
23 (3) and (3m), the department shall deduct the amount designated on the return for  
24 the prostate cancer research program from the amount of the refund.

1           (c) *Errors; failure to remit correct amount.* If an individual who owes taxes fails  
2           to remit an amount equal to or in excess of the total of the actual tax due, after error  
3           corrections, and the amount designated on the return for the prostate cancer  
4           research program:

5           1. The department shall reduce the designation for the prostate cancer  
6           research program to reflect the amount remitted in excess of the actual tax due, after  
7           error corrections, if the individual remitted an amount in excess of the actual tax due,  
8           after error corrections, but less than the total of the actual tax due, after error  
9           corrections, and the amount originally designated on the return for the prostate  
10          cancer research program.

11          2. The designation for the prostate cancer research program is void if the  
12          individual remitted an amount equal to or less than the actual tax due, after error  
13          corrections.

14          (d) *Errors; insufficient refund.* If an individual is owed a refund that does not  
15          equal or exceed the amount designated on the return for the prostate cancer research  
16          program, after crediting under ss. 71.75 (9) and 71.80 (3) and (3m) and after error  
17          corrections, the department shall reduce the designation for the prostate cancer  
18          research program to reflect the actual amount of the refund that the individual is  
19          otherwise owed, after crediting under ss. 71.75 (9) and 71.80 (3) and (3m) and after  
20          error corrections.

21          (e) *Conditions.* If an individual places any conditions on a designation for the  
22          prostate cancer research program, the designation is void.

23          (f) *Void designation.* If a designation for the prostate cancer research program  
24          is void, the department shall disregard the designation and determine amounts due,  
25          owed, refunded, and received without regard to the void designation.

1           (g) *Tax return.* The secretary of revenue shall provide a place for the  
2           designations under this subsection on the individual income tax return.

3           (h) *Certification of amounts.* Annually, on or before September 15, the  
4           secretary of revenue shall certify to the Board of Regents of the University of  
5           Wisconsin System, the Medical College of Wisconsin, Inc., the department of  
6           administration, and the state treasurer all of the following:

7               1. The total amount of the administrative costs, including data processing  
8               costs, incurred by the department in administering this subsection during the  
9               previous fiscal year.

10              2. The total amount received from all designations for the prostate cancer  
11              research program made by taxpayers during the previous fiscal year.

12              3. The net amount remaining after the administrative costs, including data  
13              processing costs, under subd. 1. are subtracted from the total received under subd.

14              2.

15           (i) *Appropriations, disbursement of funds to the fund.* From the moneys  
16           received from designations for the prostate cancer research program, an amount  
17           equal to the sum of administrative expenses, including data processing costs,  
18           certified under par. (h) 1. shall be deposited in the general fund and credited to the  
19           appropriation account under s. 20.566 (1) (hp), and the net amount remaining that  
20           is certified under par. (h) 3. shall be credited to the appropriation accounts under ss.  
21           20.250 (2) (h) and 20.285 (1) (gn), for the use specified under s. 255.054 (1).

22           (j) *Amounts subject to refund.* Amounts designated for the prostate cancer  
23           research program under this subsection are not subject to refund to the taxpayer  
24           unless the taxpayer submits information to the satisfaction of the department,  
25           within 18 months after the date on which the taxes are due or the date on which the

1 return is filed, whichever is later, that the amount designated is clearly in error. Any  
2 refund granted by the department under this paragraph shall be deducted from the  
3 moneys received under this subsection in the fiscal year for which the refund is  
4 certified.

5 **SECTION 5.** 255.054 of the statutes is created to read:

6 **255.054 Prostate cancer research program.** (1) The Medical College of  
7 Wisconsin, Inc., and the University of Wisconsin Comprehensive Cancer Center  
8 shall use the moneys appropriated under ss. 20.250 (2) (h) and 20.285 (1) (gn) for  
9 prostate cancer research projects. These moneys may not be used to supplant funds  
10 available for prostate cancer research from other sources.

11 (2) Annually by January 1, the Medical College of Wisconsin, Inc., and the  
12 Board of Regents of the University of Wisconsin System shall each report to the  
13 appropriate standing committees of the legislature under s. 13.172 (3) and to the  
14 governor on the prostate cancer research projects each has conducted under sub. (1)  
15 in the previous fiscal year.

16 **SECTION 6. Initial applicability.**

17 (1) This act first applies to taxable years beginning on January 1 of the year  
18 in which this subsection takes effect, except that if this subsection takes effect after  
19 July 31 this act first applies to taxable years beginning on January 1 of the year  
20 following the year in which this subsection takes effect.

21 (END)